

1 Q What actions, if any, did you take as a consequence of
2 this letter?

3 A Well, the letter primarily objects to the fact that
4 Peninsula would carry the note on the purchase. Our
5 position was that we would only be holding the
6 equipment as collateral as anyone would who sold
7 something and then retained a right to repossess that
8 equipment if they didn't pay -- make the payments, as
9 on any transaction. And we had offered a six percent
10 interest rate on the note and a 20 year period. And
11 the Commission had a problem with that because they
12 felt that Peninsula would somehow still retain some
13 interest in these translators, which I still don't
14 agree with. But, in any event, I think they wanted us
15 to do something different in terms of the finan -- the
16 financial or the financing that Coastal would need to
17 complete the purchase. So I think we modified our
18 agreement with Coastal and then refiled it.

19 Q Now the next letter I'd like you to look at is a five
20 page letter and it bears a stamp date of November 6,
21 1997.

22 A Okay.

23 Q The first addressee is Jeffrey D. Southmayd and it's
24 signed by Linda Blair.

25 A Okay.

1 Q And after you've had a chance to familiarize yourself
2 with the letter I'll ask some questions.

3 (Pause)

4 A I'm familiar with it.

5 Q Have you seen this letter before today?

6 A Yes.

7 Q Shortly after November 6, 1997 was when you first saw
8 it?

9 A Yes.

10 Q Now what actions, if any, did you take as a consequence
11 of this letter?

12 A Well, really there was not any action to be taken
13 because they conditioned our -- we couldn't complete
14 the sale because they added a new condition stating
15 that we would have to wait on the outcome of the next
16 license renewal cycle before we could complete the --
17 consummate the assignment which in fact then added
18 another two years to the transfer.

19 Q And by the other renewal cycle, that references the
20 1997.....

21 A The footnote seven here the says that they're granted
22 but they're granted subject to a new condition which
23 was put in here that we would have to wait on the next
24 renewal cycle before we could plead -- could complete
25 our assignment, which effectively shut down our deal

1 right here. That's what did it.

2 Q Now the next document I'd like you to look at is styled
3 Opposition to Application for Review and it reflects a
4 Commission stamp receipt date of December 30, 1997.

5 A Uh-huh (affirmative).

6 Q And if you would just take a moment to familiarize --
7 or however long you need to familiarize yourself with
8 the document.

9 (Pause)

10 A The date is what?

11 Q December 30, 1997.

12 A Okay. Okay.

13 Q Now if you could go to -- first of all, my question is
14 did you authorize the filing of this pleading?

15 A Yes.

16 Q I would like you to direct your attention to page
17 eight. And if you could please read the last -- read
18 aloud the last full paragraph.....

19 A Uh-huh (affirmative).

20 Qthat appears on that page.

21 A Based on the foregoing PCI submits that the action of
22 the Chief in granting the subject license renewal
23 applications was fair and consistent with the facts and
24 existing legal precedent for approving such
25 applications. The application by the Petitioners

1 seeking Commission review of the -- seeking Commission
2 review, must be of, the Chief's action should be
3 summarily denied and PCS should be allowed to
4 consummate the sale of its FM translators to Coastal.

5 Q Now the next document I'd like you to look at is a
6 Commission Memorandum Opinion and Order, FCC98-314,
7 bears a release date of December 10, 1998 and it
8 concerns applications of Peninsula Communications, Inc.

9 A Okay.

10 Q I take it you've seen this Order before.

11 A Yes.

12 Q And would it be fair to say that you read the Order
13 shortly -- within a month or within a month after its
14 release?

15 A Yes.

16 Q Did you discuss this Order with Mr. Buchanan?

17 A Certainly.

18 Q And what, if anything, do you recall discussing with
19 him about this Order? I recognize that may take awhile
20 for you to take a look through the Order so feel free.

21 (Pause)

22 A Okay, I'm familiar with it.

23 Q Now did you discuss with Mr. Buchanan that this Order
24 denied the Coastal applications for the Kodiak
25 translators to receive the signals of KPEN and KVVV by

1 alternative means?

2 A This order effectively destroyed our deal. Because we
3 couldn't restore service to Kodiak and then it
4 threatened the termination of our Seward translators at
5 some point in the future. And both of these things
6 basically shut down our deal because I was trying to
7 sell him nine functional translators and this is the
8 first point in time where it looked like four of them
9 were in jeopardy.

10 Q Now, with respect to the other five was there any
11 impediment to the sale of those five so far as you
12 knew?

13 A Well, there again, the impediment was that the -- see,
14 the Commission expressly represented that if we would
15 transfer these translators to an independent party that
16 the licenses would be renewed and that would be the end
17 of the matter. They tied the consummation to the next
18 round of license renewals which effectively added
19 another two years at least to the time frame of the
20 sale and then refused to give us the waivers which
21 would have restored our service to Kodiak. And then
22 they threatened the future termination of our Seward
23 translators which put the whole sale in jeopardy.

24 Q Is that because the Seward and the Kodiak components
25 were so important to the deal?

- 1 A Yes, they're all important, all nine of these things
2 are important. I was trying to sell him nine
3 translators and he was effectively only going to get
4 five.
- 5 Q Let me see if I understand the market situation that
6 we're talking about here. There probably may not -- if
7 there's a difference in the market situation between
8 December '98 and now, you know, please enlighten me.
9 But assuming that they're roughly the same, from a
10 population standpoint Seward has the least population,
11 does it not, of the five major components of this sale?
12 And by five major components let me explain what I'm
13 referring to. Kenai, Soldotna, Homer, Kodiak, Seward.
14 Wouldn't Seward be the least populated of that -- those
15 groups of five?
- 16 A Seward -- yes, correct.
- 17 Q And in fact wouldn't it be by a fair percentage? I
18 mean Seward is relatively tiny compared to the other
19 four areas.
- 20 A But that's not the only factor in the equation.
- 21 Q No, I understand. But just in terms of understanding
22 what we're looking at here.
- 23 A Yeah, but you also have to look at market competition
24 and how many other signals there are in the market and
25 how the market's being divided by competition.

1 Q Okay. So if you could enlighten us as to what you're
2 thinking of here.

3 A Well, Kenai Soldotna has many, many radio signals. And
4 therefore there's much greater competition in the Kenai
5 Soldotna area than there is in Seward. Likewise Kodiak
6 only has one other commercial FM station and one other
7 commercial AM station. So the competition in both
8 Kodiak and Seward is far less. And so even though you
9 may have smaller population in Seward you may have a
10 more significant share of the audience and therefore
11 that -- that translator may be more significant in
12 terms of what it's reaching.

13 Q I think I understand where you're going with this, but
14 let me make sure I do. In Seward -- now, let me
15 backtrack a minute. As I understand the market the
16 Kenai Peninsula itself, which includes for purposes of
17 our discussion now Kenai, Soldotna, Homer and Seward,
18 has a total population roughly in the vicinity of
19 50,000 people.

20 A Uh-huh (affirmative).

21 Q And as I understand it Seward's population is somewhere
22 in the range of 4,000 to 5,000.

23 A Ten percent.

24 Q Ten percent. So that the total number of potential
25 ears in Seward for the radio programming we're talking

1 about is that grand total of 5,000 people. Correct?

2 A Correct.

3 Q Now if the Seward stations happen to be lost or
4 otherwise unavailable in this transaction from an
5 economic standpoint wouldn't that be a relatively minor
6 aspect of the sale?

7 A No.

8 Q Okay. And if you could -- I know you tried to explain
9 to me before, but if you could make it as clear as you
10 can, why is it that Seward becomes important if what
11 we're talking about is the smallest number of people
12 who are going to be affected by the inability to
13 receive these signals?

14 A There's more at work here than just finances. There's
15 audience response and people who depend on us. We have
16 established a very loyal audience in Seward and in fact
17 we were their only service for six years in Seward.
18 And we have people who depend on these stations and who
19 are a very loyal component of -- of the radio listening
20 audience in Seward. These things are more than just
21 finances, there's a public interest benefit of these
22 translators being in Seward. I went in there and
23 provided first time FM service, commercial FM service,
24 to that community which had nothing. And I was on the
25 air for six years, actually longer than that, almost

1 seven years, before my competitor came along and put
2 his station on and then cried unfair competition. I
3 was in there, I developed that market and I brought
4 service to that community and we got a -- we have a
5 great loyal following of people that listen to our
6 stations there as a result of serving that community.
7 And it's more than dollars and cents. We provide
8 information and programming and a -- and a connection.
9 Seward's an isolated connection. I mean they are
10 surrounded by mountains, they're an isolated community,
11 we connect them with the rest of the Peninsula and
12 what's going on. And this -- this is more than just
13 money. These are people's lives who depend on us.

14 Q Now is that the same situation in Kodiak or is there a
15 different.....

16 A Yes.

17 Q dynamic at work there?

18 A No, there is almost the same dynamic in Kodiak. And
19 Kodiak's a little different because it's even more
20 isolated. Kodiak's an island community and I would
21 love for the Commission to go down there and talk to
22 the community of Kodiak and get firsthand what people
23 think of us being on that -- on that island there.
24 They have a tie to the mainland. They can -- they
25 consider the peninsula the mainland part of Alaska and

1 those folks down there are connected. Before I put
2 those stations on the air they had one radio station in
3 Kodiak. And I brought in service, I mean you can see,
4 you have 7,000 people listening a week, you're doing
5 something right. And we know from our surveys that
6 people listen to us and they like what they're hearing
7 and we're serving that community. And we -- we were
8 the pioneer in there, we went on the air almost 20
9 years ago. I've had competitors who came along later,
10 built their stations and then said you're unfair
11 competition. And that's -- I feel that's wrong. I've
12 spent the funds, I developed these stations, I brought
13 service to these communities that never had it and now
14 the Commission's taking it on to try to destroy what
15 I've built. For the benefit of the people that have
16 had nothing. There was one station on the peninsula
17 when I started, KSRM AM, and I've brought service to
18 this community, I brought service to Seward, I brought
19 service to Kodiak, and none of it existed before. And
20 that's what's involved here. There's more than just
21 dollars and cents and I wish you could see it.

22 Q Now with respect to Kodiak, you had mentioned the
23 figure 7,000. As I understand it the listening
24 audience, the total listening audience that exists for
25 the Kodiak radio providers is roughly in the vicinity

1 of 14,000 or 15,000 people?

2 A That is correct. You have people in Kodiak that
3 because there's so few stations sample all the stations
4 pretty much all the time. They're dial spinners like
5 anywhere else. And so they're listening to us, they're
6 listening to the local station, they hop around. You
7 talk to anybody down there, and I was recently there at
8 Comfish, they are glad we're there.

9 Q Now what if -- with respect to Seward and then I'll ask
10 the same question for Kodiak. With respect to Seward
11 what, if anything, prevents Peninsula from becoming a
12 full service broadcaster in Seward as opposed to coming
13 in by way of a translator?

14 A Nothing.

15 Q And with respect to Kodiak what, if anything, prevents
16 Peninsula coming in as a full-time, you know, full
17 power broadcaster as opposed to coming in via
18 translator?

19 A Nothing. Except there's a freeze that's been on for
20 the last five years that you can't build anything,
21 either AM or FM, till the freeze is lifted. So until
22 the freeze is lifted you're not going to build anything
23 anywhere.

24 Q All right. I thought I knew practically everything
25 about Commission Orders but you've got me stumped here.

1 What is it that you're referring to?

2 A The FM -- the freeze on -- you can't -- you can't build
3 an FM station, everything's locked up because of
4 auction 38.

5 Q Ah, okay, there's an auctions problem. Very good.
6 Okay. And what is it about auctions 38 that has an
7 impact here?

8 A There is a freeze on new applications. You can't file.
9 You can't file an application to build anything, either
10 AM or FM. The freeze applies to commercial, non-
11 commercial and AM. So you can't construct any new
12 facilities.

13 Q And what was the onset date of that as best as you can
14 remember?

15 A Well, I know the freeze, correct me if I'm wrong Jeff,
16 but that's been what, at least five years on FM
17 commercial? Did we lose him?

18 MR. SOUTHMAYD: I think it was November of '96.

19 A November of '96, okay. It's longer than that, almost
20 six years. So there is no alternative to these
21 translators. I can't just go and file and propose to
22 build a full power facility until whenever the
23 Commission decides that they're going to remove this
24 freeze.

25 (Whispered conversation)

1 Q The next document I would like you to look at is styled
2 Summary of Petition for Reconsideration. That's the
3 first page of it and on the second page you'll see has
4 the -- has a title of Petition for Reconsideration.
5 And the document in question bears a date stamp of
6 January 11, 1999 reflecting a filing at the Commission
7 on that date.

8 A Uh-huh (affirmative).

9 Q And if you would please just read the document to
10 yourself or any portion of the document that you wish
11 to read to yourself.

12 A Okay, I'm familiar with the document.

13 Q The question that I have at this point is why is it
14 that Peninsula but not Coastal is seeking
15 reconsideration of the Commission's denial of Coastal's
16 applications concerning the Kodiak translators?

17 A That requires a legal opinion which I can't give you.

18 Q All right. I.....

19 A Mr. Southmayd can maybe answer that.

20 Q Well, fortunately for both of us I'm not deposing him.

21 A Uh-huh (affirmative).

22 Q So I'll phrase my question a little bit differently.
23 What is your understanding as to why Peninsula but not
24 Coastal filed for reconsideration of the Commission's
25 decision to deny the Coastal application?

1 A I can only say that we thought it was a permissible
2 filing. We wanted to get the sale consummated. And
3 this was filed -- what was the date?

4 Q January 11, 1999.

5 A The -- this was a reconsideration of the first
6 Memorandum Opinion and Order if I -- if I'm reading it
7 right.

8 Q Well, to put it into perspective, yes, it was a
9 reconsideration of FCC98-314.....

10 A Right.

11 Qwhich is the order that we were just.....

12 A Yes.

13 Qtalking about.

14 A We're certainly a party to what's going on here so I
15 don't understand where the problem's at.

16 Q No, all I'm asking -- I'm not -- I mean you may think
17 that I'm suggesting that there's a problem and perhaps
18 I am. But my question simply is what was your
19 understanding as to why Peninsula and not Coastal.

20 A Well, the actions of the Commission were so outrageous
21 that I guess we felt like we needed to come in and try
22 to correct what -- what -- the tact the Commission was
23 on.

24 Q Now following the Commission grant of the assignment
25 applications that are referenced in FCC98-314.

1 A Uh-huh (affirmative).

2 Q Did you attempt to consummate the sale with Coastal?

3 A Well, we couldn't go forward with the sale because the
4 Commission put new conditions on the -- that Report and
5 Order threatened the termination of the Seward
6 translators and it didn't allow us to restore the
7 service to our Kodiak translators. And this Petition
8 for Reconsideration was to simply point out that the
9 Commission had been inconsistent in their granting of
10 waivers and we showed examples of how they had granted
11 waivers to various other FM translators in Alaska
12 pursuant to Wrangell and allowed for alternate signal
13 delivery. We tried to show that it was entirely
14 reasonable and consistent with other translators that
15 were given CP's and licenses to operate contrary to the
16 '94 ruling. We pointed out the examples of Northern
17 Light Network that had translators in Sitka, Haines and
18 Wrangell, all granted after the '94 cut off date of
19 June 1st of '94. With the exception of the Haines,
20 that one was -- or the Sitka one was actually granted
21 in '93 and we saw no reason why we shouldn't be allowed
22 to have waivers to restore service to our Kodiak
23 translators, that's what this was all about.

24 Q All right.

25 A And the Commission thing about non-white areas is

1 bogus.

2 Q Okay. Just to clarify some things here. I take it
3 that some of what you're referring to is -- appears on
4 paragraph four -- in paragraph four on page five?

5 A That is correct.

6 Q And if you could please enlighten us as best you can
7 about the situation in Sitka. I know you say something
8 here, but if you could put in your own words what.....

9 A The.....

10 Qwhat's going on here.

11 A Okay. The situation in Sitka is the commercial AM
12 station in Petersburg, KRSA, is an AM station, they are
13 crossband translating in -- onto the FM band. They
14 have alternate signal feed via phone line to feed
15 Sitka. Sitka was not a white area, Sitka had existing
16 full service broadcast stations as well as translators
17 prior to the grant of this translator in '93 and then
18 subsequent to that the Commission granted two
19 additional translators, one in '96 I believe and one in
20 '97, both in Wrangell and in Haines allowing them to do
21 the same thing, a full service AM station crossband
22 translating. Haines was not a white area and Wrangell
23 was not a white area so the Commission basically blew
24 off the white area criteria for these translators. And
25 they were all done after the '94 -- June 1st '94 which

1 means the Wrangell Radio thing still continued on and
2 the Commission still liberally granted waivers for
3 Alaska translators. And this is all we're
4 demonstrating, that there is plenty of precedent for
5 them to do it -- for what we were asking for was to
6 simply to restore service to Kodiak by letting us have
7 a satellite feed of those stations down there. The
8 Commission said it was okay to do it in Seward and they
9 said it's not okay to do it in Kodiak. And the fact is
10 all we're trying to do is restore something that had
11 been on the air for 15 years down there.

12 Q Now just if we can go back and sort of break this down
13 piece by piece. The Sitka Petersburg situation --
14 okay, so what is being translated into Sitka is a
15 commercial AM station.

16 A That is correct.

17 Q And the stations that are already there, there are two
18 FM stations there, this KSBZ and KCAW?

19 A Yes.

20 Q And just for -- you know, in terms of what you
21 understand the situation to be, are KSBZ and or KCAW
22 commercial stations?

23 A KSBZ is a commercial FM, KCAW is a non-commercial -- I
24 believe it is a non-commercial FM operating in the
25 commercial part of the FM band.

1 Q And do KSBZ and KRSA in Petersburg have any connection
2 whatsoever?

3 A Not to my knowledge. They would be competitors.

4 Q And what, if any, connection is there between the
5 communities of Sitka and Petersburg in terms of how far
6 apart they are and whether they can be connected in any
7 way?

8 A Petersburg is located in southeast Alaska. It's
9 approximately I would say 50 miles east of Sitka. The
10 AM signal that serves southeast -- as I understand the
11 pattern KRSA is a directional AM, their signal goes up
12 and down southeast Alaska, Sitka lies west of it which
13 would put it off with very little signal from the AM
14 station over there. So I assume that's why they
15 applied for a translator because the AM reception was
16 not acceptable in Sitka.

17 Q So for KRSA to provide a listenable signal on.....

18 A Yes.

19 QSitka they'd have to do something other than
20 just.....

21 A That's why they did it.

22 Qthe regular transmission.

23 A Yes, uh-huh (affirmative).

24 Q And in terms of Sitka itself, is Sitka on an island?

25 A Yes. It's a comparable situation to Kodiak.

1 Q I see. So that was the analogy that you were.....

2 A Uh-huh (affirmative).

3 Qtrying to draw be.....

4 A Well, no, not the analogy, the fact that the Commission
5 granted a translator there when there was already an
6 existing commercial FM service. They granted it in '93
7 for heaven sake.

8 Q I haven't been able to track down the waiver letter yet
9 and there's a reference to it here unfortunately -- I
10 didn't get it and that's why you don't see it in the
11 attachment, or in the document that you have. It's
12 referenced but I just don't have it here. Now, with
13 respect to the next reference that you have, the
14 Northern Light Network to operate FM translators that
15 are fed by KRSA, that's the Petersburg station again.
16 And they're providing service now to what communities?

17 A Wrangell and Haines.

18 Q Both of which are served by full-time commercial FM
19 stations?

20 A Wrangell is served by KSTK, a full service FM station,
21 and Haines is served by KHNS. It's not a white area.
22 I mean there's -- there is other -- a white area being
23 a area that has no audible signal, these are not white
24 areas.

25 Q And then there appears to be another example that you

1 reference on page six at paragraph five?

2 A Cordova -- yeah. Cordova is served by KLAM, unlimited
3 time AM station. Terminal Radio got waivers to use
4 alternative signal delivery to rebroadcast KCHU Valdez
5 on an FM translator in Cordova. Again, it's not a
6 white area, there was already an existing AM station
7 there, a commercial AM. So there's another Wrangell
8 exception.

9 Q And so this Valdez station now is in a position to
10 compete in the Cordova market?

11 A Yes, absolutely. Yeah. And sell advertising or
12 whatever it is they do to make money.

13 Q And then the same kind of situation exists with respect
14 to what appears in paragraph six?

15 A Yeah. Barrow had -- Barrow was not a white area, they
16 had KBRW FM, they also had KBRW AM. The Commission
17 licensed K296DI to Barrow to Evangelistic Alaska
18 Mission Fellowship and waived Section 1231(b) and other
19 parts of the rules to deliver an alternative signal of
20 AM station KJMP which was a commercial AM in North
21 Pole, Alaska. The whole point of listing these is --
22 is listed is summarized in paragraph ten which is it
23 appears the white area criteria used as the basis for
24 denying the waivers in Kodiak applications was not
25 uniformly considered a go, no go criteria by the

1 Commission. That was the point.

2 Q All right. Now was it your understanding that the
3 Commission as a legal matter and not as a practical
4 matter, and again I'm asking for your understanding,
5 that what the Commission did prevented Peninsula from
6 consummating its sale application with Coastal?

7 A Absolutely. Yes, absolutely, without -- without a
8 doubt the Commission sabotaged my sale.

9 Q Now the next document I'd like you to look at is FCC00-
10 45, a Memorandum Opinion and Order concerning Peninsula
11 Communications, Inc., and it bears a release date of
12 February 14, 2000.

13 A Okay.

14 Q And, you know, you can take as much time as you wish to
15 familiarize.....

16 A I'm familiar with it, I've got it memorized.

17 Q You have it memorized. Okay. Did you read the Order
18 shortly within.....

19 A Yes.

20 Qafter its release? And did you discuss this Order
21 with Mr. Buchanan?

22 A Yes.

23 Q What did you discuss?

24 A The fact that the Seward translators were going to be
25 terminated in 60 days. Let's see here, what do they do

1 with Kodiak? They denied our Petition for
2 Reconsideration, dismissed it outright without any
3 explanation of the individual points we made.
4 Therefore this Order crippled four out of the nine
5 translators and Mr. Buchanan was not prepared to go
6 through with the sale because of this Order.

7 Q Did you ever discuss with Mr. Buchanan the possibility
8 of selling the five translators that were not affected?

9 A No, it was a package deal. He was going to get all
10 nine. Why would we -- we basically -- four of the
11 translators were in jeopardy, the Seward ones were
12 effectively terminated in 60 days contrary to 316 where
13 there was no order to show cause why our licenses for
14 the Seward translator should be modified. The 60 day
15 termination rule -- order here was contrary to the
16 Communications Act. It's an unlawful order. And then
17 not restoring -- denying our Request for
18 Reconsideration of the Seward -- of the Kodiak waiver
19 so we could restore service which was the result of
20 this Petition for Reconsideration, trying to get our -
21 - our service restored in Kodiak, that was denied. The
22 Seward translators were destined to be history in 60
23 days contrary to law. There was no way Mr. Buchanan
24 could consummate this sale.

25 Q Now as I understand it from testimony that you had

1 given earlier and from some documents that I had seen
2 that service had been restored to Kodiak a matter of
3 weeks before the release of this Order.

4 A That is correct. We were able to get the Seward
5 translators -- or the Kodiak translators back on the
6 air in January of 2000.

7 Q So as a practical matter this Order had a significant
8 impact only on the Seward situation.

9 A Well, it had every impact on it because we couldn't
10 complete the sale as it was set up. The sale
11 specifically in our Asset Purchase Agreement said that
12 we would deliver licenses that would not be threatened
13 or encumbered in any manner and this threatens and
14 encumbers the -- the Seward translators.

15 Q But only the Seward translators.

16 A Well, that's enough.

17 Q I'm just -- I want to make clear that it's only Seward
18 that is really on the block here.

19 A At this -- at this point in time it became Seward
20 because I was able to get the Kodiak translators back
21 on. But we couldn't complete the sale according to the
22 original terms and the Seward was an important
23 component of the sale. And at this point Mr. Buchanan
24 had waited three years to buy these translators. And
25 he lost a significant amount of his earnings from

1 taking his retirement and not working thinking this
2 thing was going to be consummated. His patience were
3 gone. I mean when this thing came out it was like now
4 what.

5 UNIDENTIFIED FEMALE: (Indiscernible - not at mic) bank
6 loan too.

7 MR. SHOOK: Well, you'll have a chance tomorrow. Don't
8 worry.

9 Q So I take it there was no discussion of a renegotiation
10 of the contract?

11 A Oh yes, there was discussion -- he offered to buy the
12 translators for -- the whole package for \$10,000.00.
13 In fact he sent me a check for \$10,000.00 offering to
14 buy the whole -- the whole package at that point in
15 time. I didn't accept it because this is wrong, this -
16 - this Order is wrong.

17 Q He sent you a check for \$10,000.00 for the nine
18 translators, that's what he did?

19 A Uh-huh (affirmative). Yeah. He offered to buy them
20 for \$9,000.00 and I -- I -- or for \$10,000.00 and I --
21 I didn't -- I didn't accept it. So the Commission took
22 my \$100,000.00 sale and effectively turned it into a
23 \$10,000.00 sale with two of the translators headed for
24 extinction contrary to the normal procedure of 316
25 which gives an order to show cause why you shouldn't

1 modify a license. The Commission was modifying my
2 Seward licenses by terminating the waivers within 60
3 days. This Order is an unlawful Order and that's why
4 we rejected it by filing our 1.110 rejection.

5 Q Now the next document I'd like you to look at is FCC01-
6 159.

7 A Uh-huh (affirmative). I don't have that document.
8 UNIDENTIFIED FEMALE: (Indiscernible - not at mic).

9 A It's not here.

10 Q It may be that you don't. But -- so now you do.

11 A All right.

12 Q Because I've handed it to you. And you're
13 familiar.....

14 A Yes.

15 Q with this document?

16 A Uh-huh (affirmative).

17 Q You received it shortly after its release?

18 A I received this thing about two weeks -- two to three
19 weeks after its release. It was almost sometime in
20 June when I actually got it.

21 Q And did you read it when you received it?

22 A Yeah.

23 Q And you understood that the Commission ordered
24 Peninsula to stop operating seven translators serving
25 Kenai, Soldotna, Anchor Point, Homer, Kachemak City and